August 2, 2021

Jim Jones
Medicaid Director
State of Wisconsin Department of Health Services
Division of Medicaid Services
1 West Wilson Street
PO Box 309
Madison, WI 53701-0309

Dear Mr. Jones:

Please find below the Centers for Medicare & Medicaid Services’ (CMS) request for additional information regarding Wisconsin’s American Rescue Plan Act of 2021 (ARP) section 9817 initial spending plan and spending narrative submitted on June 25, 2021.

We have identified missing information which we will need to review before the initial spending plan and spending narrative can be approved. The State Medicaid Director Letter (SMDL) #21-003, section D, titled Required Reporting on Activities to Enhance, Expand, or Strengthen HCBS under the Medicaid Program provides a description of the information states should include in their initial spending plans and spending plan narratives.

Additional Information Requested

- Estimate the anticipated expenditures for the activities the state intends to implement to enhance, expand, or strengthen HCBS under the state Medicaid program between April 1, 2021, and March 31, 2024.

In the submission, your state provided information on the activities that it intends to implement. However, the anticipated cost for each activity was not included. Please update your spending plan and narrative to provide the estimated cost for each activity to enhance, expand, or strengthen HCBS under the Medicaid program.

In addition, it is unclear whether some of these activities would enhance, expand, or strengthen HCBS under the Medicaid program. CMS is requesting the following changes or clarifications to your state’s spending plan and narrative:

- Clearly indicate whether the 5% increase to rates for CY 22 will be for services that are listed in Appendix B of the SMDL or could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit). If the rate increase is not for services that are listed in Appendix B or could be listed in Appendix B, please explain how those payments expand, enhance, or strengthen HCBS under Medicaid.
Clearly indicate whether the activity to develop a rate schedule for Medicaid long term care providers and the subsequent one-time funding in FY23 and FY24 will be for providers that are delivering services that are listed in Appendix B or could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit). If the rate schedule and one-time payments are not for services that are listed in Appendix B or could be listed in Appendix B, please explain how those payments expand, enhance, or strengthen HCBS under Medicaid.

Clearly indicate whether the activity to work in partnership with Tribes to further develop Tribal long term care systems will be focused on the development of HCBS, institutional services, or both.

**CMS will need additional information before it can determine whether any of those activities or uses of funds are approvable under ARP section 9817.**

**General Considerations**

As part of this request for additional information, CMS is noting the following:

- CMS expects your state to notify CMS as soon as possible if your state’s activities to expand, enhance, or strengthen HCBS under ARP section 9817:
  - Are focused on services other than those listed in Appendix B or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit). If any activities are not directly related to the services listed in Appendix B or services that could be listed in Appendix B, please explain how those activities expand, enhance, or strengthen HCBS under Medicaid;
  - Include room and board (which CMS would not find to be a permissible use of funds); and/or
  - Include activities other than those listed in Appendices C and D.

**CMS will need additional information before it can determine whether any of those activities or uses of funds are approvable under ARP section 9817.**

As of today, CMS’s review is suspended until we receive your complete response. So that we may continue with the review process, please provide the requested information within 15 business days. We look forward to continuing to work with you to advance HCBS in Wisconsin. Please submit questions or concerns regarding this request for information to **HCBSincreasedFMAP@cms.hhs.gov**.

Sincerely,

Jennifer Bowdoin
Director, Division of Community Systems Transformation

cc: Curtis Cunningham